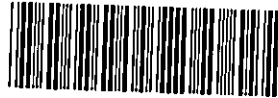


ABN 41 009 117 293

# FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

October 11, 2007



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Securities and Exchange Commission  
Division of Corporation Finance  
Office of International Corporate Finance  
450 Fifth Street  
WASHINGTON DC 20549  
USA

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Gentlemen:

## EXEMPTION NUMBER 82-3494

To continue the exemption of our securities from Section 12(g) of the Securities Exchange Act of 1934 ("the Act") and in accordance with Rule 12g-3-2(b)(iii) under the Act, we enclose announcements which information we have sent to The Australian Stock Exchange (Perth) Ltd, the only Stock Exchange on which, to our knowledge, our Company's securities are traded, and which was made public by the Exchange with which we filed.

The information is being furnished under Rule 12g-3-2(b)(iii), with the understanding that such information will not be deemed "filed" with the Securities and Exchange Commission or otherwise subject to the liabilities of Section 18 of the Act, and that neither this letter nor the furnishing of such information shall constitute an admission for any purpose that this Company is subject to the Act.

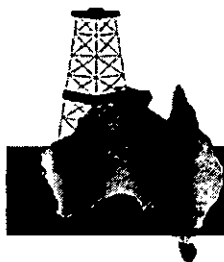
Yours faithfully,

COLIN JOHN HARPER  
Company Secretary

Lodgement with Australian Stock Exchange:  
October 11, 2007 (ASX Announcement & Media Release – Activity Update)

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1st Floor, 87 Collin Street, West Perth, Western Australia 6005  
PO Box 703, West Perth, Western Australia 6872  
Telephone: (61-8) 9322 3939 Facsimile: (61-8) 9322 5116  
Email: admin@farnl.com.au Web: www.farnl.com.au



ABN 41 009 117 293

# **FIRST AUSTRALIAN RESOURCES LIMITED**

*Incorporated in Western Australia*

11 October 2007

## **ASX ANNOUNCEMENT AND MEDIA RELEASE**

### **ACTIVITY UPDATE**

**Stokes Bay-1, Onshore Canning Basin, Western Australia (FAR 8%)**  
**Preparing to drill ahead at 1,841mMD after bit change**

FAR has been advised by ARC Energy Limited that current operations at the well comprise running in the hole with a new bottomhole assembly and bit to continue drilling ahead in 8 1/2" hole from 1,841mMD.

The Stokes Bay-1 well is planned as a test of the extent and reservoir development of the gas accumulation intersected by the Point Torment-1 well and will be drilled as a deviated well with a total depth of approximately 2,500 metres. Point Torment-1 was drilled in 1992 and subsequently flowed gas at a rate of up to 4.3 million cubic feet of gas per day from the Carboniferous aged Anderson Formation sandstones. Subsequent tests of these sands produced ambiguous information on potential volumes and reservoir quality and the Stokes Bay-1 well is designed to provide a definitive test of the reservoir quality and extent of the accumulation.

The Valentine-1 well intersected very strong gas shows and indications of porosity in the Anderson and Laurel Formations downdip from the target interval in the Stokes Bay-1 well. This is a very positive indication for Stokes Bay-1 which is targeted to intersect these objectives within closure, some 90 metres updip from the Valentine-1 intersection.

A Drilling Report on the Stokes Bay-1 well is contained in the attached well summary sheet.

# **STOKES BAY-1 DRILLING REPORT CANNING BASIN, WESTERN AUSTRALIA**

<b>Date:</b>	11 <sup>th</sup> October 2007
<b>Permit:</b>	R1
<b>Well Location:</b>	Lat : 17° 08' 23.46"S Long : 123° 42' 32.40"E
<b>Directional offset to target:</b>	1024 metres
<b>Elevation:</b>	Ground Level is 12.4mAMSL Rotary Table is 18.1mAMSL
<b>Proposed Total Depth (measured KB):</b>	2505 metres
<b>Prognosed drilling time:</b>	15 days
<b>Spud Date:</b>	0930 hrs, WST 3 October 2007
<b>Present Depth at 0600 hrs:</b>	1841mMD
<b>Time of Reporting:</b>	0600 hrs, WST 11 <sup>th</sup> October 2007
<b>Operations Since Last Report:</b>	Drilled 8 1/2" hole from 1226m to 1840mMD. Pipe stuck at 858m while pulling out of hole for a new drilling bit. String was freed and recovered. A cleanout trip was made during which 1m of new formation was drilled prior to POOH for a new drilling assembly.
<b>Current Operations:</b>	RIH with new BHA and bit to drill ahead in 8 1/2" hole from 1841mMD
<b>Hydrocarbon indications:</b>	None
<b>Comment:</b>	N/A
<b>Participants in the well (post earning):</b>	Empire Oil and Gas NL - 14.8% ARC Energy Limited - 38.95% (Operator) Emerald Oil & Gas NL - 12.75% Pancontinental Oil & Gas NL - 10.0% Phoenix Resources PLC - 10.0% First Australian Resources Limited - 8.0% Indigo Oil Pty Ltd - 5.5%

A time versus depth chart follows:

